

**COMMONWEALTH OF KENTUCKY  
NATURAL RESOURCES AND ENVIRONMENTAL  
PROTECTION CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WASTE MANAGEMENT  
14 REILLY ROAD  
FRANKFORT, KY 40601**

**LETTER FROM CHIEF FINANCIAL OFFICER ON CORPORATE  
FINANCIAL TEST**

[Address to director, Division of Waste Management]

I am the chief financial officer of \_\_\_\_\_.  
(name and address of firm)

This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in 401 KAR 48:310, Section 17.

[FILL OUT THE FOLLOWING THREE PARAGRAPHS REGARDING FACILITIES AND ASSOCIATED COST ESTIMATES. IF YOUR FIRM HAS NO FACILITIES THAT BELONG IN A PARTICULAR PARAGRAPH, WRITE "NONE" IN THE SPACE INDICATED. FOR EACH FACILITY, INCLUDE ITS NAME, ADDRESS, COUNTY, AND CURRENT CLOSURE AND/OR CLOSURE CARE ESTIMATES AS TO WHETHER IT IS FOR CLOSURE OR CLOSURE CARE OR BOTH.]

(1) This firm is the permittee of the following facilities for which financial assurance for closure or closure care is demonstrated through the financial test specified in 401 KAR 48:310, Section 17. The current closure and/or closure care cost estimates provided for by the test are shown for each facility:

Facility Name \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
Permit No. \_\_\_\_\_  
Closure Estimate \$ \_\_\_\_\_  
Closure Care Estimate \$ \_\_\_\_\_.

(2) This firm guarantees, through the corporate guarantee specified in 401 KAR 48:310, Section 17 the closure or closure care of the following facilities permitted by subsidiaries of this firm. The current cost estimates for the closure or closure care so guaranteed are shown for each facility:

Facility Name \_\_\_\_\_  
Address \_\_\_\_\_

Permit No. \_\_\_\_\_  
Closure Estimate \$ \_\_\_\_\_  
Closure Care Estimate \$ \_\_\_\_\_.

(3) This firm is the permittee of the following facilities for which financial assurance for closure or closure care is not demonstrated to the Kentucky Natural Resources Environmental Protection Cabinet through the financial test or any other financial assurance mechanism specified in 401 KAR 48:310, Section 17. The current closure and/or closure care cost estimates not covered by such financial assurance are shown for each facility:

Facility Name \_\_\_\_\_  
Address \_\_\_\_\_  
Permit No. \_\_\_\_\_  
Closure Estimate \$ \_\_\_\_\_  
Closure Care Estimate \$ \_\_\_\_\_.

This firm \_\_\_\_\_ to file a form 10k with the securities and  
(insert "is required" or "is not required")  
exchange commission (SEC) for the most recent fiscal year.

The fiscal year of this firm ends on \_\_\_\_\_. The figures for the following items  
(month, day)  
marked with an asterisk are derived from this firm's independently audited, year-end financial  
statements for the most recently completed fiscal year which ended \_\_\_\_\_.  
(date)

[FILL IN ALTERNATIVE I IF THE CRITERIA OF SECTION 17 (1)(B) OF 401 KAR 48:310 ARE  
USED. FILL IN ALTERNATIVE II OF THE CRITERIA OF SECTION 17(1)(C) OF 401 KAR 48:310  
PARAGRAPH \_\_\_\_\_ ARE USED.]

### Alternative I

1. Sum of current closure and closure care cost estimates (total of all cost estimates shown in the three paragraphs above): \$ \_\_\_\_\_
- \*2. Total liabilities [if any portion of the closure or closure care cost estimate is included in total liabilities, you may deduct the amount of that portion from this line and add that amount of lines 3 and 4]: \$ \_\_\_\_\_
- \*3. Tangible net worth: \$ \_\_\_\_\_
- \*4. Net worth: \$ \_\_\_\_\_
- \*5. Current assets: \$ \_\_\_\_\_
- \*6. Current liabilities: \$ \_\_\_\_\_
- \*7. Net working capital [Line 5 minus line 6]: \$ \_\_\_\_\_
- \*8. The sum of net income plus depreciation, depletion, and amortization:  
\$ \_\_\_\_\_

- \*9. Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.): \$\_\_\_\_\_ Yes No
10. Is line 3 at least \$10 million? .....
11. Is line 3 at least 6 times line 1? .....
12. Is line 7 at least 6 times line 1 .....
- \*13. Are at least 90% of firm's assets located in the U.S.  
If not, complete line 14.
14. Is line 9 at least 6 times line 1? .....
15. Is line 2 divided by line 4 less than 2.0? .....
16. Is line 8 divided by line 2 greater than 0.1? .....
17. Is line 5 divided by line 6 greater than 1.5? .....

### Alternative II

1. Sum of current closure and closure care cost estimates (total of all cost estimates shown in the three paragraphs above): \$\_\_\_\_\_
2. Current bond rating of most recent issuance of this firm and name of rating service: \_\_\_\_\_
3. Date of issuance of bond: \_\_\_\_\_
4. Date of maturity of bond: \_\_\_\_\_
- \*5. Tangible net worth [if any portion of the closure and closure care cost estimates is included in "total liabilities" on your firm's financial statements, you may add the amount of that portion to this line]: \$\_\_\_\_\_
- \*6. Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.)" \$\_\_\_\_\_ Yes No
7. Is line 5 at least \$10 million? .....
8. Is line 5 at least 6 times line 1? .....
- \*9. Are at least 90% of firm's assets located in the U.S. ....
10. Is line 6 at least 6 times line 1? .....

I hereby certify that the wording of this letter is identical to the wording specified in form DEP\_\_\_\_\_ (July, 1994) as such regulation was constituted on the date shown immediately below.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)